



House of Representatives

General Assembly

File No. 98

February Session, 2000

Substitute House Bill No. 5575

House of Representatives, March 17, 2000

The Committee on Commerce reported through REP. SAMOWITZ of the 129th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

An Act Concerning Reporting Requirements Of The Department Of Economic And Community Development.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 32-1h of the general statutes is repealed and the following is
2 substituted in lieu thereof:

3 Not later than [March first and October] November first, annually,
4 the Commissioner of Economic and Community Development shall
5 submit a report to the Auditors of Public Accounts and the joint
6 standing committees of the General Assembly having cognizance of
7 matters relating to the Department of Economic and Community
8 Development, appropriations and capital bonding, which shall include
9 the following information with respect to new and outstanding
10 financial assistance provided by the commissioner for each financial
11 assistance program he administers: (1) A list of the names, addresses
12 and locations of all recipients of such assistance, (2) for each such
13 recipient: (A) The business activities, (B) the standard industrial

14 classification manual codes, (C) the gross revenues during the
15 recipient's most recent fiscal year, (D) the number of employees at the
16 time of application, (E) whether the recipient is a minority or women-
17 owned business, (F) a summary of the terms and conditions for the
18 assistance, including the type and amount of state financial assistance,
19 job creation or retention requirements, and anticipated wage rates, and
20 (G) the amount of investments from private and other nonstate sources
21 that have been leveraged by the assistance, (3) the economic benefit
22 criteria used in determining which applications have been approved or
23 disapproved and (4) for each recipient of assistance on or after July 1,
24 1991, a comparison between the number of jobs to be created, the
25 number of jobs to be retained and the average wage rates for each such
26 category of jobs, as projected in the recipient's application, versus the
27 actual number of jobs created, the actual number of jobs retained and
28 the average wage rates for each such category. The report shall also
29 indicate the actual number of full-time jobs and the actual number of
30 part-time jobs in each such category and the benefit levels for each
31 such subcategory. The [October first] report shall include a summary
32 of the activities of the department, including all activities to assist
33 small businesses and minority business enterprises, as defined in
34 section 32-9e, as amended, recommendations for legislation to promote
35 the purposes of the department, a list of all federal programs of
36 financial assistance for defense conversion projects and other projects
37 consistent with a defense conversion strategy and a list of all
38 applications for such financial assistance filed by the Secretary of the
39 Office of Policy and Management in consultation with the
40 Commissioner of Economic and Community Development, during the
41 preceding state fiscal year, including the status of each such
42 application.

CE Committee Vote: Yea 20 Nay 0 JFS

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Minimal Savings

Affected Agencies: Department of Economic and Community Development

Municipal Impact: None

Explanation

State Impact:

Replacing the Department of Economic and Community Development's biannual report with an annual report will result in a minimal workload reduction.

OLR Bill Analysis

sHB 5575

AN ACT CONCERNING REPORTING REQUIREMENTS OF THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT.**SUMMARY:**

This bill requires the Department of Economic and Community Development (DECD) to report annually on its financial activities by November 1, instead of by March 1 and October 1. DECD provides loans to businesses, municipalities, and nonprofit organizations for large-scale business development projects.

The reports must identify each organization receiving funds and its gross annual revenues, the projected and actual number of jobs the project created or retained, and the average wage rate for each job category. DECD must submit the reports to the state auditors and the Commerce; Appropriations; and Finance, Revenue and Bonding committees.

EFFECTIVE DATE: October 1, 2000

BACKGROUND***Related Law***

PA 99-30 made similar changes to the reporting requirements for the Connecticut Development Authority and Connecticut Innovations, Inc. It specifically requires them to report by November 1 on their financing activities during the 12 months ending on the preceding June 30.

COMMITTEE ACTION

Commerce Committee

Joint Favorable Substitute

Yea 20 Nay 0